

Reference	
Executive Director	Liz Cook
Cabinet Member	Clr C Cummins Clr T Tariq

Section A

Service Area	Housing
Budget Option Description	Additional savings from Health and Housing

Budget Reduction Proposal – Detail and Objectives

Work is underway to increase the supply of specialist and supported housing in the borough, to give adult social care service users choice in provision and an alternative to expensive residential care

Savings of £0.431m from re-housing social care residents into alternative provision is already built into the Medium-Term Financial Strategy (MTFS) but further savings can be delivered by 2025/26 through additional developments

Savings derived are complex and are dependent on several factors:

- Level of need
- Number of beds/units in schemes
- Commissioning efficiencies and cost of care provider
- Reducing out of borough placements by accommodating within borough instead
- Scheme development costs and priorities for achieving future proofing, net zero
- Housing Benefit thresholds

This makes assessment complex and subject to variation, however using information from previous schemes in Bury, Greater Manchester and nationally, an average saving on care per unit per year can be estimated. To ensure prudence and deliverability the midpoint variance is used to predict savings.

For example, supporting a younger adult in outdated supported living property costs on average £47,000 a year but supporting them in a development of individual apartments can cost between £42,000 (saving of £5,000 per unit) per year and £36,000 (saving of £11,000 per unit). Having an apartment to live in rather than a shared house improves the quality of the person's life with the further benefit of being more cost effective to the public purse.

Due to the complexity of assessing savings, the saving used for predications would be £8,000 (midpoint between £5,000 - £11,000), but individual assessments of schemes indicate that the savings could be significantly higher.

Over an average scheme size of 8 units, as commonly used for learning disability, this would be an annual saving of £64,000 when people are moved out of supported living and into the new accommodation, the cost saving would continue year on year as the care model delivers ongoing savings and prevents more costly care packages and out of Borough placements.

For extra care housing a saving is not delivered for every extra unit delivered. This is because not everyone in an extra care unit requires care. For example, commonly a third of occupants are not in need of care, a third are in need of care similar to that that they would receive if they were in their

own home, therefore no saving, and a third have a higher level of care, rather than moving into a care home

For the third who no longer need to move into a care home then the annual saving would be on average £10,000 per person in care costs. However, as half of those who would have moved into care homes would have funded their own care there are no costs or savings to the public sector.

To account for this the average costs for the 1/3 would then be £5,000 per year. This is cost avoidance as these people are yet to move into a care home, remaining in an extra care setting prevents this from happening.

A series of schemes are proposed, below, to deliver savings and cost avoidance

Priority Area	2023/24	2024/25	2025/26	Total
Older People	Increase capacity by at least 57 units Cost Avoidance £0.095m (Cost avoidance is estimated on the basis of development negates the requirement for additional care packages)		Increase capacity by at least 57 units Cost Avoidance £0.095m	114 Cost avoidance £0.190m
Mental Health	2 x 10 unit schemes Saving £0.160m	2 x 15 unit schemes Saving £0.240m	2 x 18 unit schemes Saving £0.288m	86 Saving £0.688m
Learning Disabilities and/or Autism	2 x 8 unit schemes Saving £0.128m	1 x 16 unit scheme Saving £0.128m	1 x 7 bed scheme Saving £0.056m	39 Saving £0.312m
TOTAL	£0.383m	£0.368m	£0.439m	£1.190m

Therefore, over the next 3 years the savings are anticipated to be £1,190,000 of which £0.281m + £0.150m is already accounted for in 23/24 Adult Social Care (ASC) Innovation and Savings programme.

Update position- supply side delivery

Priority Affordable Homes projects	No. of AH units	Start on Site	Practical completion
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Fletcher Fold, Bury Township – c. 26 units for older people and older people with LD.	26	Summer 2023	March 2025
Townfields Close, Bury Township – c. 35 units for older people 65+	35	Summer 2023	2025
Wheatfields – Whitefield c.6 bungalows for older people and disabilities	6	March 2023	March 2024
William Kemp Heaton – c.40 including for people with LD and/or autism low- moderate needs)	18	April 2023	Sept 2024
The Elms, Whitefield – expected to be allocated for people with LD	24	TBC 2023	TBC 2024
Willow Street, Bury Township – Specialist scheme – 13 self-contained, apartments for young adults with high needs - physical and/or sensory disability or LD	13	June 23 TBC	Dec 2024
Clerke St – c.30 units TBC Exploring housing options for this site working closely with ASC	30	April-June 2024	2025
TOTAL	152		

Financial savings

	2023/24	2024/25	2025/26
Budget Reduction (£m)	0	£0.225	£0.569
Staffing Reduction (FTE)	n/a		

Section B

What impact does the proposal have on:

Property
Availability of land and inward investment, capital programme priorities – balance of capital receipts and provision of potentially discounted land to RP's
Service Delivery

Positive impacts of choice for customers and reduction in high-cost placement
Organisation (Including Other Directorates/Services)
Capacity pressures in BGI, Finance and Legal Implementation resources in ASC – transfer of existing and new customer to new provision
Workforce – Number of posts likely to be affected.
n/a
Communities and Service Users
Additional housing provision and choice

Other Partner Organisations
RP providers, Homes England, GMCA

**Section C
Key Risks and Mitigations**

Risks	Mitigations
Coordination of sites	Housing Growth Board / Regeneration Board Assessment of accelerated land programme and Brownfield site programme
Economic conditions increase in delivery costs- recession	
Increased demand preventing reductions in more costly placements and out of Borough placements	

Key Delivery Milestones

Include timescales for procurement, commissioning changes etc.

Milestone	Timeline
New sites in development	Practical completion in 2024/25

Section D

Consultation Required?	Individual sites will require formal consultation, planning & Cabinet approval.
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	Start Date	End Date
Staff		
Trade Unions		
Public		

Service User		
Other		

Equality Impact

Is there potential for the proposed budget reduction to have a disproportionate/ adverse impact on any of the following?

Disabled people	x
Particular Ethnic Groups	
Men or Women (including impacts due to pregnancy/maternity)	
People who are married or in a civil partnership	
People of particular sexual orientation	
People who are proposing to undergo, undergoing or undergone a process or part of a process of gender assignment	
People on low incomes	x
People in particular age groups	x
Groups with particular faiths and beliefs	

EIA Required yes – positive impact in provision of additional housing and support options and choices for people with additional needs to promote and maintain independent living	
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Section E

Financial Implications and Investment Requirements

Investment requirements – Revenue and Capital
Housing Growth Manager recruited and in post as of December 2022. The Housing Growth Team is place and to be part funded by released capacity within the HRA, see separate template

Finance Comments – Will the proposal deliver the savings and within the agreed timescales?
This scheme is already in place as a continuum of developments. Close monitoring of demand will be required and tracking of delivery in line with residents and clients moving from various accommodation types.